

ARTICLE ATTACHED
ON PAGE **AI**

NEW YORK TIMES

2 April 1987

U.S. Rejects Request By Iraq for C-130's But Still Sends Data

J By DAVID K. SHIPLER

Special to The New York Times

WASHINGTON, April 1 — In the aftermath of the secret arms sales to Iran, the Reagan Administration has turned down a request from Iraq for American-built C-130 cargo planes and artillery radar, according to American officials.

But these officials say the United States is continuing to give the Iraqis intelligence data on Iranian deployments in the Iran-Iraq war.

This approach to Iraq seems intended to prevent an Iranian victory and repair relations with Baghdad while avoiding direct American military entanglement in the war. It is a delicate piece of acrobatics made more complicated by the skepticism with which many Persian Gulf Arabs now regard the formal declarations of American policy.

Iraqis Seeking Redress

Neither Iraq nor the United States appears to be placing military matters at the heart of the two countries' relations. But since the first disclosures last fall that the Administration had been violating its own avowed policy by selling arms to Iran, the Iraqis have expressed disappointment and indignation and have urged Washington to take concrete action to restore American credibility.

"I wouldn't say we have been subjected to a lot of pressure from Iraq on military equipment," a senior Administration official said. But since the first of the year, officials said, Iraq has renewed an earlier request for C-130 transport planes, built by Lockheed. The United States refused to permit the purchase.

In addition, Iraq wanted to rent or borrow American-made artillery radar from Jordan, American officials said. The equipment can track an artillery shell in flight and, using a computer to describe its path, determine the position of the enemy gun battery, an official said.

American arms sale agreements

stipulate that the weapons are not to be transferred to third parties without Washington's approval, and Jordan has a reputation for being scrupulous about observing this, officials said. When the request was made in this case, they said, Washington denied Jordan permission to make the transfer.

The requests were made to the United States Embassy in Baghdad, an American official said. "We told the Iraqis, 'No military equipment,'" he said.

Iraq used to get almost all of its arsenal from the Soviet Union, an American official said, but in the mid-1970's it diversified and now receives about

half from the Soviet bloc and half from the West. France is reportedly the major Western supplier. Officials who watch the arms business say they believe Iraq is well supplied and does not have any desperate equipment needs.

Iraq Still Getting Data

Despite the rejections, officials say the United States continues to provide Iraq with intelligence information from spy satellites, as it was doing before the Iran arms affair broke. "It is accurate and pretty responsive to their needs," one official said.

Newspaper reports have asserted that earlier intelligence — also pro-

vided to Iran — was doctored and distorted. But American officials insist that the information given to Iraq has been correct. They are said to have privately explained to Iraqi officials that in the past, clouds hiding some key areas led to incomplete data.

Fighting in the war is in a lull after a fierce Iranian offensive began in early January with a thrust across the southern border toward the Iraqi port of Basra.

Re-establishing U.S. Stature

The Administration's approach to Iraq is part of a broad effort to re-establish American stature in the Persian Gulf with diplomacy, public statements and a slightly increased naval presence. This grew out of policy meetings on the Middle East in early

February, a senior Administration official said.

"We realized the United States seemed to be tilting away from our friends," he said. "We realized the need to become more active."

As one step, President Reagan ordered what the official called a "reinvigoration" of Operation Staunch, the campaign by the United States to dissuade other countries from permitting arms to be sent to Iran. It was an effort that had been pursued by the State Department even while the White House and the Central Intelligence Agency were selling Iran weapons.

Iraq, which reportedly provides the United States with intelligence reports on Iranian weapons purchases, reacted favorably to a statement by President Reagan Feb. 25 condemning Iran's continuation of the war and calling for an end to the fighting. "We have frequently called on Iran's leaders to join in working toward a negotiated settlement as the Iraqis have repeatedly offered to do," Mr. Reagan said.

'Improving Relations'

The Iraqi Foreign Ministry issued a statement welcoming the President's remarks. "Iraq is still interested in improving relations with the United States," Iraq's Ambassador in Washington, Nizar Hamdoun, said in an interview. "Whatever puts the weight of the White House on Operation Staunch will be viewed very positively."

Mr. Hamdoun is scheduled to end his term in Washington soon.

STAT